GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Public Services – Industries & Commerce Department – Misuse and diversion of coal by M/s G.V. Chemicals, Narsingapuram, Chittoor- Disciplinary action against Sri V.R.V.R. Naik, the then GM, Sri P. Yesudas, the then IPO, Tirupathi and Sri K. Guruvaiah, the then Dy. Director (Retd), DIC, Chittoor - Charges framed- Common Inquiry Conducted- Penalties imposed – Orders of Hon'ble High Court in W.P.Nos. 12378 of 2021 and 15043 of 2021– Penalties were set aside against Sri P. Yesudas, the then IPO, Tirupathi and Sri K. Guruvaiah, the then Dy. Director (Retd), DIC, Chittoor - Further Action dropped - Orders – Issued.

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INDUSTRIES AND COMMERCE (VIGILANCE) DEPARTMENT

G.O.RT.No. 65 Dated: 11-04-2025

Read the following:

1. From the GA (V&E) Deptt, Vigilance Report No.96, (C.No.877/V&E/NR2/ 2003) ,dt.25.08.2004.
2. G.O.Rt. No. 250, Ind & Com (Vig) Deptt, dated.20.04.2012.
3. D.O Lr. No.138/COI.P/2012-7, DT: 06.08.2013.
4. Govt Memo. No.11712/Vig.A2/2004, dt.25.07.2014.
5. From the DOI, Lr.No.40/1/2004/0358/0358/ID, dt.01-09-2015.
6. G.O.Rt. No.232, 233 & 234 Ind & Com (Vig) Dept., dt.01.12.2020
7. Orders of the Hon'ble High Court in W.P.No.15043 of 2021, dt.09.08.2021.
8. Orders of the Hon'ble High Court in W.P.No.12378 of 2021 ,dt.25.08.2021.
9. G.O.Rt.No.201 & 202 Ind & Comm (Vig) Dept, dt:9.12.2022.
10. From the COI, Lr. No.40/1/2004/0358, dt.31.10.2023 and dt:01.02.2024.

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ORDER:

Based on the findings of V&E Dept. in the reference 1st read above, Article of charges were framed against Sri V.R.V.R. Naik, the then GM, DIC, Chittoor, Sri P.Yesudas, the then IPO, Tirupathi and Sri K. Guruvaiah, the then Dy. Director(Retd), DIC, Chittoor, who are responsible for restoration of coal supply to M/s G.V. Chemicals, Chittoor District though the unit was not functioning and failed to prevent diversion of coal by M/s G.V. Chemicals, Chittoor to other units.

2. And whereas, in the reference 2nd read above, after change of Inquiring Authorities twice, Dr. Prem Chand, Commissioner of Inquiries was appointed as Inquiring Authority. Whereas in the reference 3rd read above, the Inquiring Authority submitted his report with the findings that the charge against Sri K. Guruvaiah, Dy. Director(Retd), DIC, Chittoor proved partly, the charge against Sri P. Yesudas, the then IPO, Tirupathi proved partly and the Charge-I was proved partly and Charge-2 not proved against Sri V.R.V.R Naik, the then GM, DIC, Chittoor.

(P.T.O)

3. And whereas in the reference 4th read above, the Commissioner of Industries was requested to indicate the quantum of financial loss occurred in the supply of coal to the fake units. The Director of Industries vide reference 5th read above, has submitted that there was a coal diversion of 20,265 MTs tentatively with financial implication of Rs.40.53 lakhs. Thus, it was proved from the final Arguments furnished by the Presenting Officer that M/s G.V Chemicals Ltd, Chittor District has diverted the coal to an extent of 20,265 MTs with a financial implication of Rs.40.53 lakhs

4. Whereas in the reference reference 6th read above, after considering the Inquiry report and report of the Director of Industries, penalty of "Recovery of an equivalent amount of one Annual Grade Increment without cumulative effect for one year and recovery of an amount of Rs.13,51,000/-" imposed against Sri K. Guruvaiah, Dy.Director (Retd), DIC, penalty of "stoppage of one Annual Grade Increment without cumulative effect and recovery of an amount of Rs.13,51,000 was imposed against Sri P.Yesudas, the then IPO, Tirupathi, Chittoor District, and penalty of "Recovery of an amount of Rs.13,51,000/- "was imposed against Sri V.R.V.R Naik, the then GM, DIC, Chittoor District.

5. Aggrieved, Sri K. Guravaiah, Dy. Director (Retd), DIC filed WP No.12378 of 2021 requesting to stay all further proceedings in the impugned G.O.Rt.No.232, Ind & Com (Vig) Department dt.01.12.2020 and the Hon'ble A.P High Court has issued orders dt.25.08.2021 setting aside the said impugned punishment order dt.01.12.2020 and ordered to pay pension and all other benefits immediately.

6. Subsequently, Sri P. Yesudas has also filed WP No.15043 of 2021 requesting to stay all further proceedings in the impugned G.O.Rt.No.233, Ind. & Com. (Vig) department, dt.01.12.2020. The Hon'ble High Court of A. P has disposed off the W.P. vide its orders dt.09.08.2021 setting aside the G.O.Rt.No.233, I&C (Vig) Dept., dt.01.12.2020, and the matter is remanded to the State Government for fresh consideration of the issue after taking into account the explanation offered by the petitioner on 30.12.2013.

7. Whereas in the reference 9th read above, in light of the orders of Hon'ble High Court in WP No.12378 of 2021, W.P. No.15043 of 2021 and after careful examination of the material available on record, penalties imposed against Sri P. Yesudas, the then IPO, Tirupathi and Sri K. Guruvaiah, the then Dy. Director(Retd), DIC, Chittoor were set aside.

8. Whereas in the reference 10th read above, the Commissioner of Industries, A.P while enclosing the representation of Sri V.R.V.R. Naik has requested the Government to issue appropriate orders on the request of the individual to set aside penalty imposed against him, on par with other officers against whom punishment was set aside on the same charges. In the said representation, Sri V.R.V.R Naik, the then GM, DIC, Chittoor has stated that the Hon'ble High Court in W. P. No.12378 of 2021 has set aside the

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penalty imposed against K. Guravaiah (CO-3) emphasizing that the apportionment of loss and the imposed punishment were contrary to law. Report of Enquiry Officer and presenting officer, the Director of Industries letter, dt:01.09.2015 indicated a presumed revenue loss, which was contested, and the High Court ruled against the imposition of the penalty, which lead to the subsequent set aside of the orders imposing the recovery of Rs.13,51,000.00. Therefore, the individual has requested the Govt., to reconsider and set aside penalty of "Recovery of an amount Rs.13,51,000/-" imposed against him.

9. The Government, in light of the orders of Hon'be High Court in W.P. No.12378 of 2021 & W.P.No.15043 of 2021 and subsequent setting aside of penalties imposed against Sri K. Guruvaiah, Dy. Director (Retd), DIC and Sri P. Yesudas, the then IPO, Tirupathi, Chittoor District and considering the representation of Sri V.R.V.R Naik, the then GM, DIC, Chittoor, hereby, decided to drop further action against Sri P. Yesudas, Sri K. Guravaiah Sri V.R.V.R. Naik and also set aside the penalty of " Recovery of an amount of Rs.13,51,000/- imposed against Sri V.R.V.R Naik, the then GM, DIC, Chittoor District.

10. Accordingly, Government hereby drop further action against Sri K. Guruvaiah, Dy. Director (Retd), DIC and Sri P. Yesudas, the then IPO, Tirupathi, Chittoor District and Sri V.R.V.R. Naik, the then GM, DIC, Chittoor District and also set aside the penalty of "Recovery of an amount of Rs.13,51,000/- imposed against Sri V.R.V.R Naik, the then GM, DIC, Chittoor District.

11. The Director of Industries shall take necessary action in the matter, accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**N YUVARAJ**
**SECRETARY TO GOVERNMENT**

To
Sri P. Yesudas, the then IPO, DIC, Chittor District (through the DOI, Mangalagiri)
Sri K. Guruvaiah, Dy Director (Retd), DIC, Chittoor District (through the DOI, Mangalagiri)
Sri V.R.V.R. Naik, the then GM, DIC, Chittoor District. (through the DOI, Mangalagiri)
The Director of Industries, 8th Floor, APIIC Buildings, A.P, Mangalagiri
Copy To:
The PS to Hon'ble Minister (Ind & Com), A.P Secretariat.
The Secretary, A.P Vigilance Commission, A.P Secretariat, Velagapudi.
The Director of Translation, AP Secretariat with a request to translate the G.O into Telugu version and furnish the same to this department.
Sc/Sf.

//FORWARDED: : BY ORDER//

SECTION OFFICER